



THE POLICE & CRIME COMMISSIONER FOR CLEVELAND

DECISION RECORD FORM

REQUEST: For PCC approval.			
Title: Medical Service Contract Renewal			
Executive Summary: Under Code C of the Police and Criminal Evidence Act 1984, the organisation has a duty to provide clinical treatment and attention to ensure detainee safety.			
In 2007 a £35m contract over 10 years was entered into with Reliance (now Tascor) to deliver Custody and Medical Services. The contract is due to expire at the end of June 2017.			
It was considered appropriate due to changes in the market for the Custody Support Contract and Medical Services should be tendered separately.			
A National specification has been drawn up in conjunction with NHS England for Custody Medical Services. This specification was reviewed with the Chief Inspector and Inspector responsible for Custody to ensure that operational needs were captured (including legislative changes).			
A decision was made to reduce the contract term from 10 years to 3 years with the option to extend for two further 12 month periods. It was considered appropriate for a shorter contract to provide flexibility in the current changing environment of collaboration.			
An open tender was carried out using EU Supply as the tender portal, advertising the contract in Contract Finder and OJEU as per the Public Procurement Regulations 2015. An open tender is a competitive exercise whereby a tender is advertised and all bidders expressing an interest can access the tender documentation and submit a bid.			
The appendix to this decision record form contains full details of the procurement process and outcome.			
Decision: That the Police and Crime Commissioner note the Procurement process used to appoint a supplier for Custody Medical Services.			
The Police and Crime Commissioner approve the procurement methods investigated and recommendations put forward by the Evaluation Team to award the contract to Bidder 1.			
OPCC Lead Officer: Amanda Wilkinson			
Contractor Details (if applicable):			
Implications:			
Has consideration been taken of the following:	Yes	No	
Financial	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Legal	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Equality & Diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Human Rights	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Sustainability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Risk	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

(If yes please provide further details below)

Decision Required – Supporting Information

Financial Implications: (Must include comments of the PCC's Chief Finance Officer where the decision has financial implications)

The agreed budget for 2017/18 for the Custody Medical Contract is £745,750.

The current contract price for 2016/17 for the Custody Medical contract is £734,193.

The below table provides a comparison of Year 1 across both bidders:

Bidder 1	Bidder 2
£813,124	£1,225,281

Bidder 1 costs in year 1 are over budget by £67,374, however the costs reduce in Year 2 £761,470 (excluding indexation).

Although Bidder 1 is the incumbent provider, the cost increase from current contract price to Year 1 is due to the inclusion of Capital and Revenue Costs of £35k pa to enable the introduction of SystemOne which allows links to medical records. Bidder 1 is the incumbent, however provides services via a subcontract arrangement to Tascor. Historically the Custody Support Contract subsidised the Medical Services Contract, as these contracts have been split, savings have been achieved in the Custody Support Contract.

Annual contract prices are subject to Indexation and will be agreed annually between Bidder and the PCC.

Legal Implications: (Must include comments of the Monitoring Officer where the decision has legal implication)

Having read this report and having considered such information as has been provided at the time of being asked to express this view, the Chief Executive is satisfied that this report does not ask the PCC to make a decision which would (or would be likely to) give rise to a contravention of the law.

Equality and Diversity Implications

TUPE Implications have been considered as part of the tender process and the evaluation team feel that Bidder 1 is the incumbent provider and therefore TUPE does not apply.

Human Rights Implications

There are no Human Rights implications associated with the award of this contract.

Sustainability Implications

There are no sustainability implications associated with the award of this contract.

Risk Management Implications

The risk associated with the tight timescales for mobilisation and transition is reduced due to Bidder 1 being the incumbent provider.

OFFICER APPROVAL

Monitoring Officer

I have been consulted about the decision and confirm that financial, legal, and equalities advice has been taken into account. I am satisfied that this is an appropriate request to be submitted to the Police and Crime Commissioner.

Signed  Date 19/5/17

Police and Crime Commissioner:

The above request HAS my approval.

Signed  Date 19/5/17



Report of the Chief Constable to the Police and Crime Commissioner for Cleveland – May 2017

Status: For Decision

Procurement Report for the Custody Medical Contract

1. Purpose

- 1.1 Under Code C of the Police and Criminal Evidence Act 1984, the organisation has a duty to provide clinical treatment and attention to ensure detainee safety.
- 1.2 In 2007 a £35m contract over 10 years was entered into with Reliance (now Tascor) to deliver Custody and Medical Services; delivering non cashable savings of £2,074,000. During the contract Term the current provider made a decision to cease direct delivery of medical services as it was no longer part of their core business and the medical services contract was sub-contracted to Care and Custody (Health). The contract is due to expire at the end of June 2017.
- 1.3 It was considered appropriate due to changes in the market for the Custody Support Contract and Medical Services should be tendered separately.

2. Recommendations

- 2.1 That the Police and Crime Commissioner note the Procurement process used to appoint a supplier for Custody Medical Services.
- 2.2 The Police and Crime Commissioner approve the procurement methods investigated and recommendations put forward by the Evaluation Team to award the contract to Bidder 1.

3. Background

- 3.1 A National specification has been drawn up in conjunction with NHS England for Custody Medical Services, this specification was reviewed with the Chief Inspector and Inspector responsible for Custody to ensure that operational needs were captured (including legislative changes). Documentation from recent procurement examples by other Forces including recommended scenario questions from NHS England was reviewed and where evidence of good practice and relevant questions were identified these were incorporated into the procurement documentation.

- 3.2 A decision was made to reduce the contract term from 10 years to 3 years with the option to extend for two further 12 month periods. It was considered appropriate for a shorter contract to provide flexibility in the current changing environment of collaboration. The current contract value is £734,193 per annum, therefore based on a potential 5 year contract the total value of the contract would be £3,670,966. The EU tender threshold is £164,176 therefore an EU tender exercise was conducted.
- 3.3 An open tender was carried out using EU Supply as the tender portal, advertising the contract in Contract Finder and OJEU as per the Public Procurement Regulations 2015. An open tender is a competitive exercise whereby a tender is advertised and all bidders expressing an interest can access the tender documentation and submit a bid.
- 3.4 In March 2017, an advert was placed in the European Journal and the Bluelight E-tendering system inviting suppliers to bid for the service. Thirteen suppliers initially expressed an interest in the tender, however only two suppliers submitted a response by the closing date and time of 12 noon on 27th April 2017.
- 3.5 The evaluation criterion was 60% in favour of quality and 40% focussed on price. It was considered that a quality service particularly in relation to detainee safety to be the primary focus for the selection of a provider.
- 3.6 The evaluation team, evaluated the two bids in line with the evaluation criteria, as per the table below:

Criteria	Weighting	Bidder 1 Score	Bidder 2 Score
Price	40%	40%	32%
Quality	60%	41.7%	30.10%
Total	100%	81.7%	62.10%

4. Implications

4.1 Finance

4.1.1 The agreed budget for 2017/18 for the Custody Medical Contract is £745,750.

4.1.2 The current contract price for 2016/17 for the Custody Medical contract is £734,193.

4.1.3 The below table provides a comparison of Year 1 across both bidders:

Bidder 1	Bidder 2
£813,124	£1,225,281

4.1.4 Bidder 1 costs in year 1 are over budget by £67,374, however the costs reduce in Year 2 £761,470 (excluding indexation).

- 4.1.5 Although Bidder 1 is the incumbent provider, the cost increase from current contract price to Year 1 is due to the inclusion of Capital and Revenue Costs of £35k pa to enable the introduction of SystemOne which allows links to medical records. Bidder 1 is the incumbent, however provides services via a subcontract arrangement to Tascor. Historically the Custody Support Contract subsidised the Medical Services Contract, as these contracts have been split, savings have been achieved in the Custody Support Contract.
- 4.1.6 Annual contract prices are subject to Indexation and will be agreed annually between Bidder 1 and the PCC.
- 4.2 Legal
Terms and Conditions used for this service have been agreed and reviewed by the OPCC Legal Advisor.
- 4.3 Diversity & Equal Opportunities
TUPE Implications have been considered as part of the tender process, Bidder 1 is the incumbent provider and therefore TUPE does not apply.
- 4.4 Human Rights Act
There are no Human Rights implications associated with the award of this contract.
- 4.5 Sustainability
There are no sustainability implications associated with the award of this contract.
- 4.6 Risk
The risk associated with the tight timescales for mobilisation and transition is reduced due to Bidder 1 being the incumbent provider.

5. Conclusions

- 5.1 The Evaluation Team is confident that the procurement exercise has been conducted in a fair, comprehensive, thorough and transparent process.
- 5.2 The tender process has proven to deliver value for money therefore the evaluation team recommends that the PCC awards the contract for Custody Medical Services to Bidder 1.

Iain Spittal
Chief Constable

Evaluation team:

Head of Procurement and Fleet – Cleveland Police
Strategic Contracts Manager – OPCC
Chief Inspector – Criminal Justice
Inspector – Custody Management
Commissioning Lead for Sexual Assault Services and Police Custody – NHS England Health and Justice